



ENERGY ASSURANCE DAILY

Thursday Evening, December 22, 2016

Electricity

Update: PG&E's 120 MW Caribou Hydro Units 4 and 5 in California Return to Service by December 21

The units returned from an unplanned outage that began on December 20.

<http://content.aiso.com/unitstatus/data/unitstatus201612211515.html>

MidAmerican Solar's 550 MW Topaz Solar Unit in California Reduced by December 21

The unit entered an unplanned curtailment of 255 MW.

<http://content.aiso.com/unitstatus/data/unitstatus201612211515.html>

NRC Issues 2 New Reactor Licenses at Duke Energy's Proposed Nuclear Plant in South Carolina

The Nuclear Regulatory Commission (NRC) on December 19 issued two Combined Licenses for Duke Energy Carolinas' proposed William States Lee III nuclear power plant project located near Gaffney, South Carolina. The licenses allow the utility to build and operate two nuclear reactors on the site that use advanced passive safety, the NRC said. Duke applied for the licenses in December 2007, but officials say it's unclear whether the company will proceed with construction of the plant. Local media reports that factors going into the decision include electricity demands, the cost of natural gas, and environmental regulations.

<https://www.nrc.gov/reading-rm/doc-collections/news/2016/16-075.pdf>

Reuters, 17:01 December 21, 2016

FPL to Retire Its 250 MW Cedar Bay Coal-Fired Power Plant in Florida December 31

Florida Power & Light Company (FPL) on Wednesday announced plans to formally retire its Cedar Bay coal-fired generating plant in Jacksonville, Florida on December 31, 2016. FPL purchased the plant in 2015 with the intention of phasing it out of service. Prior to the acquisition, FPL had been obligated to purchase power from the plant under a 1988 Power Purchase Agreement with the plant's previous owners. The buyout and closure of the Cedar Bay plant is estimated to save FPL customers more than \$70 million and will prevent nearly 1 million tons of carbon emissions annually, the utility said.

<http://newsroom.fpl.com/2016-12-21-FPL-shuts-down-Cedar-Bay-coal-fired-power-plant-helping-the-environment-and-saving-customers-more-than-70-million>

DOE Announces Investment in National Wave Energy Test Facility in Oregon

The Department on Energy (DOE) on Wednesday announced the award of up to \$40 million, subject to appropriations, to design, permit, and construct an open-water, grid-connected national wave energy testing facility in Newport, Oregon. The facility will be constructed by the Northwest National Marine Renewable Energy Center at Oregon State University and will support innovations in wave energy technologies capable of harnessing the significant wave energy resources along U.S. coastlines. The new test facility, called the Pacific Marine Energy Center South Energy Test Site, will be constructed with a combination of federal and non-federal funds. The planned facility, to be completed by early 2020, includes four grid-connected berths where researchers can test full-scale wave energy conversion device concepts. Recent studies estimate that America's technically recoverable wave energy resource ranges between approximately 900–1,230 terawatt hours (TWh) per year, distributed across the coast of Alaska, the West Coast, the East Coast, the Gulf of Mexico, Hawaii, and Puerto Rico.

<https://energy.gov/articles/energy-department-announces-investment-wave-energy-test-facility>

Southern Power Acquires Wind Generation Assets Totaling 300 MW in Texas

Southern Company subsidiary Southern Power on Thursday announced the acquisition of two wind generation facilities in Texas from EDF Renewable Energy. The assets include the 174 MW Salt Fork facility, located in Donley and Gray Counties, and the 126 MW Tyler Bluff facility in Cooke County. The acquisitions increase Southern Power's total wind generation capacity to more than 1,000 MW, and increases its total renewable generation capacity to more than 3,000 MW.

<http://www.southerncompany.com/news/2016-12-22-spc-acquires-wind-projects.cshtml>

Petroleum

BP Shuts Reformer at Its 413,500 b/d Whiting, Indiana Refinery December 21 – Sources

Market sources on Wednesday said BP shut the 60,000 b/d reformer at its Whiting, Indiana refinery, adding that the unit was expected to restart in a few days.

Reuters, 19:01 December 21, 2016

Reformer Outage Reported at Marathon's 132,000 b/d Detroit, Michigan Refinery December 21 – Sources

Market sources on Wednesday said Marathon Petroleum Corp was experiencing a reformer outage Detroit, Michigan refinery. No additional details were available.

Reuters, 19:01 December 21, 2016

Update: Valero's 168,000 b/d McKee, Texas Refinery Operating at 78 Percent Capacity December 21 after Cold Weather Upsets – Sources

Valero Energy Corp's McKee refinery in Sunray, Texas was running at about 78 percent of its maximum capacity on Wednesday as it continues to boost production, sources familiar with plant operations said. The refinery is recovering from outages of multiple units after sub-zero temperatures affected control systems beginning December 17.

Reuters, 17:59 December 21, 2016

Chevron Reports Emissions at Its 245,271 b/d Richmond, California Refinery December 21

Chevron Corp reported sulfur dioxide emissions due to a plant start up at its Richmond, California refinery on December 21, according to a filing with the California Emergency Management Agency.

Reuters, 15:58 December 21, 2016

U.S. Commercial Crude Inventories Increase by 2.3 Million Barrels December 16 – EIA

U.S. commercial crude inventories rose by 2.3 million barrels to about 485.4 million barrels during the week ending December 16, according to data released by the U.S. Energy Information Administration (EIA) on Wednesday.

Commercial crude stocks at the Cushing, Oklahoma delivery hub fell by 245,000 barrels to 66.3 million barrels, the EIA said.

http://www.downstreamtoday.com/news/article.aspx?a_id=54764

Natural Gas

Nothing to report.

Other News

Nothing to report.

Mexican Government Delays Announcement for Additional Private Oil and Gas Offshore Exploration Licenses until June 19

Mexico's Finance Ministry on Thursday said it will delay the announcement of successful Round Two tender bidders until June 19. The first phase of the so-called Round Two tender, which was originally planned to be awarded on March 22, includes 15 shallow water blocks in the Gulf of Mexico for private development. Earlier this month, Mexico auctioned off various deep water oil fields to investors from around the world, part of its drive to bring private sector capital into its oil industry.

Reuters, 9:50 December 22, 2016

Energy Prices

U.S. Oil and Gas Prices December 22, 2016			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	51.85	50.85	36.07
NATURAL GAS Henry Hub \$/Million Btu	3.48	3.52	1.71

Source: Reuters

Links

This Week in Petroleum from the U.S. Energy Information Administration (EIA)

<http://www.eia.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 10:30 AM & 1:00 PM ET every Wednesday.

Natural Gas Weekly Update from EIA

<http://www.eia.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM ET every Thursday.

ENERGY ASSURANCE DAILY

Energy Assurance Daily provides a summary of public information concerning current energy issues. Published Monday through Friday to inform stakeholders of developments affecting energy systems, flows, and markets, it provides highlights of energy issues rather than a comprehensive coverage. *Energy Assurance Daily* is updated online Monday through Friday after 5:00 p.m. ET. For more information, visit the Infrastructure Security and Energy Restoration (ISER) website at:

<http://www.oe.netl.doe.gov/ead.aspx>

Please direct comments and questions to: ead@oe.netl.doe.gov